

Special Task Force on UW Restructuring and Operational Flexibilities

Michael Falbo, Chair



State of Wisconsin

One East Main, Suite 301 • Madison, WI 53703 • Telephone: (608) 266-3847

Personnel Systems

The Task Force considered two questions related to the new personnel systems being created by UW-Madison and UW System:

1. What ability to transfer should UW employees holding positions that were formerly part of the classified staff have in the future?
2. Should UW employees holding positions that were formerly part of the classified service be given governing authority similar to that granted to the faculty, academic staff, and students?

Background

2011 Act 32 authorizes the Board of Regents to establish a personnel system for all UW employees, excluding employees assigned to UW-Madison, and authorizes the UW-Madison chancellor to establish a personnel system for all UW employees assigned to UW-Madison. Both personnel systems require approval by the Joint Committee on Employee Relations (JCOER).

Beginning July 1, 2013, all UW classified employees will be transferred from the state personnel system to the new personnel systems. UW classified employees who have achieved permanent status as of July 1, 2013, would retain protections related to demotion, suspension, discharge, layoff, reduction in base pay, and reinstatement privileges. All employees hired after July 1, 2013, would have the protections, privileges, and rights afforded to them by the personnel systems. UW employees will continue to participate in state group health insurance plans and the Wisconsin Retirement System after being transferred to the new personnel systems.

Under prior law and until July 1, 2013, UW employees are divided into two broad categories: classified staff and unclassified staff. Classified employees are part of the state personnel system established by state law and the director of the Office of State Employee Relationships (OSER). Unclassified employees, including faculty, academic staff, and certain administrative positions, are part of a personnel system created by the Board of Regents.

Task Force Presentations

At the March 7, 2012, Task Force meeting, UW-Madison Vice Chancellor for Administration and Task Force member Darrell Bazzell and UW System Vice President for Human Resources Al Crist spoke regarding the authority granted to the Board of Regents and the UW-Madison chancellor to create two new personnel systems. Mr. Bazzell noted that 2011 Act 32 gave the UW-Madison chancellor the authority to create a personnel system for all employees assigned to UW-Madison. This personnel system will be separate from the existing state personnel system and the personnel system that will be created by the Board of Regents for all other UW employees. UW employees will continue to participate in state group health insurance plans and be covered by the Wisconsin Retirement System (WRS) so both the UW System and UW-Madison will maintain a relationship with OSER.

Mr. Bazzell described the process by which the Madison campus is creating its personnel system. UW-Madison has established 11 work teams, each of which will consider a different aspect of the personnel system. These work teams will develop recommendations regarding priorities, structures, and policies that will provide direction for the personnel system. The processes, procedures, and tools for implementation will be developed following the recommendations of the work teams. To elicit input from campus community outside of the work teams, UW-Madison has held a number of campus forums related to the personnel system project. (At the time of the Task Force meeting, none of the work teams had published their recommendations. As of May 30, 2012, all eleven of the work teams had published draft recommendations and seven of the work teams had published revised recommendations in response to comments and concerns from the UW-Madison community.)

Mr. Bazzell said that the new personnel system will allow UW-Madison to address issues related to inconsistent compensation. While the classified service provides consistent pay for employees doing similar work at other state agencies, it leads to inconsistencies in compensation at UW institutions. Unlike other state agencies, UW institutions employ a large number of both unclassified staff, whose compensation is set by the Board of Regents, and classified staff, whose compensation is determined in part by OSER. Many classified staff members perform duties similar to those performed by academic staff members yet receive different compensation. By allowing the Board of Regents to set compensation for all employees, the new personnel system will allow UW institutions to address these inconsistencies in compensation.

While 2011 Act 32 authorizes the Board of Regents and the UW-Madison chancellor to create two different personnel systems, Mr. Bazzell anticipates that the differences between the two personnel systems will be minimal. There are many more commonalities between UW-Madison and the other UW institutions than there are differences, he said. To facilitate collaboration between UW-Madison and the UW System with regard to the new personnel systems, UW-Madison has been given a seat on the UW System University Personnel System Task Force.

Mr. Crist described the process the UW System is using to design the personnel system for all other UW institutions. He noted that UW System has fewer working teams than UW-

Madison does. This is because certain issues need to be resolved at each institution and cannot be done centrally by UW System. Recommendations from each of the work teams were due in March; Mr. Crist said that draft recommendations would be presented to the Board of Regents at its June meeting. The institutions will be able to review the draft recommendations over the summer and review by shared governance groups will take place in the fall of 2012. Mr. Crist said that the Board of Regents' proposed personnel system could be submitted to JCOER for approval as early as February, 2013. (At the time of the Task Force meeting, the UW System work teams had not yet completed their recommendations. The recommendations of six of the work teams were published in mid-April; these recommendations were available for review and comment by UW System stakeholders through May 30.)

Mr. Crist said that the primary benefit of the new personnel system is that UW employees would no longer be divided into two different groups -- unclassified and classified staff. In addition, the new personnel system would allow additional flexibilities in terms of compensation. For example, the Board of Regents would be able to offer a person hired to fill a position formerly in the classified service a higher salary to recognize experience outside of state service, something which is not permitted under the current system. All UW employees will also follow one code of ethics under the new personnel system.

Mr. Crist identified rights of transfer as one of the major issues that has come up during the development of the new personnel system. Under the current system, employees at UW institutions may transfer to other UW institutions and state agencies. It is unclear whether these rights of transfer will be retained in the new personnel systems.

Mr. Crist also said that the UW System will request statutory language changes in four areas related to the personnel systems. These areas include: (1) discretionary merit pay; (2) employee rights; (3) labor relations; and (4) retirement system. Mr. Crist said that a bill with these changes would most likely be introduced in the Legislature in January, 2013.

Both Mr. Bazzell and Mr. Crist said that the new personnel system would be ready for the employee transfer on July 1, 2013.

Discussion by Task Force Members

One Task Force member asked about the time table and budget for the personnel systems and whether UW-Madison was providing any services to the UW System related to the creation of the two personnel systems. Mr. Bazzell said that the project timeline is driven by the statutory implementation date of July 1, 2013. Prior to that date, the personnel system must be approved by JCOER as well as institutional governing bodies. Mr. Bazzell said that there were no significant costs related to the creation of the new personnel system.

Another Task Force member asked how the new personnel system would be different and better than the existing state personnel system. A third Task Force member asked if UW-Madison had looked at personnel systems used by other institutions of higher education. That Task Force member asked what efficiencies would be gained through UW-Madison having a personnel system separate from the UW System personnel system. Mr. Bazzell said that representatives from the University of Virginia had come to UW-Madison to discuss their

personnel system. In addition, UW-Madison is working with Huron Consulting which has experience working with other universities on similar issues. Mr. Bazzell said that finding efficiencies is not the primary goal of the personnel system project; rather, UW-Madison will create a personnel system that meets its needs, which are different from the needs of other state agencies. Mr. Bazzell also said that he did not know exactly how the personnel system created for UW-Madison would be different from the personnel system created for the rest of the UW System but expected that there would be some differences in terms of titling and compensation. A fourth Task Force member noted that human resources systems are often efficient but not effective or strategic.

One Task Force member asked if any statutory changes would be required to fully implement the new personnel systems. Mr. Bazzell responded that the required statutory changes are technical in nature. The university may request more substantial changes further along in the process. A second Task Force member asked what flexibilities would be built into the UW System personnel system to allow institutions to tailor the system to their needs. Mr. Crist said that the needs of each institution would be addressed later in the process by the institutions themselves.

A third Task Force member asked what effect the provisions of 2011 Act 10 will have on the benefits offered to UW employees. Mr. Crist said that employee benefits would no longer be a subject of collective bargaining and that the Board of Regents and the institutions may want to consider offering additional benefits. For example, a wellness program could be implemented. Mr. Bazzell noted that any changes in benefits would be marginal. The core benefits offered to UW employees, including participation in state group health plans and WRS, would remain the same.

One Task Force member commented that collaboration between UW-Madison and the UW System in relation to the new personnel systems has been very good. That Task Force member did not anticipate there being many differences between the two personnel systems. While the volume of research conducted at UW-Madison is much greater than at any of the other UW institutions, all of the institutions conduct research. That Task Force member also said that all UW institutions will want just as much flexibility in this area as UW-Madison.

Comments from Academic Staff and Classified Staff Representatives

At the May 9, 2012, meeting of the Task Force, members heard from student, faculty, academic staff, and classified staff representatives. Both the academic staff and classified staff representatives included comments regarding the new personnel systems in their remarks.

Dave Carlson, an academic staff representative from UW-Rock County, was concerned that the current time table for the approval of the personnel systems may not allow for adequate input from UW employees. He also highlighted a difference in the recommendations of the employee categories working groups at UW-Madison and within the UW System. The UW System working group, of which Mr. Carlson is a member, recommended the creation of a governing body for operational (formerly classified) staff. This governing body would be separate from the existing academic staff governing body and would allow some distinction

between the current academic staff and the classified staff to be maintained. By contrast, the UW-Madison work team recommended the academic staff and the classified staff be combined into one category. Mr. Carlson said that the academic staff did not support this merger of the academic staff and the classified staff. He said it raised both governance and recruiting issues.

Paulette Feld, a classified staff member from UW-Oshkosh, serves as a member of the UW System employee categories work group along with Mr. Carlson. She said that group had considered merging the academic staff and the classified staff, but instead recommended the creation of a separate governance body for classified staff members. She said that giving former members of the classified staff governance authority would eliminate the "caste system" that currently exists at UW institutions. Mary Czyszczak-Lyne, a classified staff member from UW-Madison, echoed the need for former members of the classified staff to have input at the institutional level. In the past, classified staff members had been able to express themselves through the collective bargaining process, she said.

Ms. Czyszczak-Lyne also had many concerns about how employees holding positions formerly assigned to the classified service would be treated under the new personnel system. Areas of particular concern include how raises would be given to these employees, how they would be treated by their supervisors, and how transfers or requests for shift changes would be dealt with. Ms. Feld was similarly concerned about transfer rights for employees in former classified staff positions. She said that the new personnel system would not require transfers to be based on seniority. According to Ms. Feld, this had been a valuable retention tool. However, the new personnel system may allow for special consideration for internal applicants. If this feature is included, classified staff may not feel like they have lost a benefit. Ms. Czyszczak-Lyne also said that training is a big issue for classified staff members. Classified staff members need to know how they can move up the career path.

Additional Discussion by Task Force Members

One Task Force member said that UW-Madison wanted to combine the academic staff and the classified staff to simplify the personnel system and get rid of the existing "caste system." That Task Force member asked if extending governance authority to classified staff members would be an alternative to the merger of the two groups.

A second Task Force member asked if any changes would be made to existing state civil service protections. Ms. Czyszczak-Lyne said that no changes should be made to the existing state civil service protections. Ms. Czyszczak-Lyne said she was concerned that the new personnel system would allow for patronage and cronyism. The state civil service protections were created to limit these things.

A third Task Force member noted that Wisconsin is generally more collegial than other states in that classified staff members have been incorporated into the decision-making process. That Task Force member said that classified staff should be part of the shared governance structure. In the past, classified staff governance groups did not work on issues related to compensation and working conditions because these issues were handled by the unions. Ms.

Feld noted that the creation of a classified staff advisory council at UW-Oshkosh has led to greater respect for classified staff members at that institution.

Alternatives

1. What ability to transfer should UW employees holding positions that were formerly part of the classified staff have in the future?

Options:

- a. To the extent possible, these employees should have the same ability to transfer within the UW System and other state agencies as they do under current practice. The new personnel systems developed by the Board of Regents and UW-Madison chancellor should permit employee transfer between UW institutions. The Board of Regents and the UW-Madison chancellor should also work with the OSER director to develop rules to permit transfers between UW institutions and state agencies.
 - b. The UW System Board of Regents and the UW-Madison chancellor should decide through the personnel system development process how transfers will occur in the future.
2. Should UW employees holding positions that were formerly part of the classified service be given governing authority similar to that granted to the faculty, academic staff, and students?

Options:

- a. Yes. Statutes should be modified to permit formal participation by employees holding positions that were formerly part of the classified service in the shared governance of individual UW institutions and the UW System.
 - i. The definition of academic staff should be modified to include these employees.
 - ii. A new governance entity should be created to represent these employees.
- b. No. These employees should have no role in the shared governance of individual UW institutions and the UW System.
- c. This matter should be decided by the Board of Regents and the UW-Madison chancellor through the personnel system development process.